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## WIRELINE COMPETITION BUREAU ANNOUNCES UPDATED LIFELINE MINIMUM SERVICE STANDARDS AND INDEXED BUDGET AMOUNT

## WC Docket No. 11-42

By this Public Notice, the Wireline Competition Bureau (Bureau) announces updated minimum service standards for Lifeline-supported services as required by the 2016 Lifeline Order. The 2016 Lifeline Order established minimum service standards for certain Lifeline-supported services and either established annual increases in those standards in the Commission's rules or pursuant to calculations set out in the Order and the Commission's rules. Accordingly, we announce the newly calculated minimum service standards for mobile and fixed broadband. These standards will take effect on December 1, 2021 absent further action. Finally, we announce that the budget for federal universal service support for the Lifeline program for calendar year 2022 will be \$2,457,366,092.<sup>3</sup>

Mobile broadband minimum service standard. The 2016 Lifeline Order established an automatic update to the Lifeline minimum service standard for mobile broadband service data capacity through November 30, 2019, and an annual update calculated by the Bureau thereafter.<sup>4</sup> In 2019, the mobile broadband minimum service standard was set to increase from 2 GB per month to 8.75 GB per month; however, the Commission found good cause to partially grant a petition of CTIA and others to waive this increase and establish a mobile broadband minimum service standard of 3 GB per month.<sup>5</sup> In 2020, when the mobile broadband minimum service standard was set to increase from 3 GB per month to 11.75 GB per month, the Bureau found good cause to partially grant a petition from the National Lifeline Association to waive the formula-defined increase and establish a mobile broadband minimum service standard of 4.5 GB per month.<sup>6</sup> This year, absent action, beginning December 1, 2021, the Lifeline minimum service standard for mobile broadband data capacity will increase to 18 GB per month<sup>7</sup> pursuant to the calculations set out in the Commission's rules and the 2016 Lifeline Order.<sup>8</sup>

<sup>&</sup>lt;sup>1</sup> Lifeline and Link Up Reform and Modernization et al., WC Docket No. 11-42 et al., Third Report and Order, Further Report and Order, and Order on Reconsideration, 31 FCC Rcd 3962, 3989-3997, paras. 73-98 (2016) (2016 Lifeline Order or 2016 Order); 47 CFR § 54.408.

<sup>&</sup>lt;sup>2</sup> 2016 Lifeline Order, 31 FCC Rcd at 3988-4000, paras. 69-106; 47 CFR § 54.408(b)-(c).

<sup>&</sup>lt;sup>3</sup> See 2016 Lifeline Order, 31 FCC Rcd at 4110, para. 403.

<sup>&</sup>lt;sup>4</sup> See 47 CFR § 54.408(b)(2); 2016 Lifeline Order, 31 FCC Rcd at 3994-97, paras. 91-98.

<sup>&</sup>lt;sup>5</sup> See Lifeline and Link Up Reform and Modernization et. al., Order, 34 FCC Rcd 11020, 11020, 11024, paras. 2, 13 (2019).

<sup>&</sup>lt;sup>6</sup> See Lifeline and Link Up Reform and Modernization et. al., Order, 35 FCC Rcd 12958, 12958, para. 2 (WCB 2020).

 $<sup>^{7}</sup>$  ((442,500,000 / 128,579,000) \* 0.81) \* 9.2 GB = 25.646 \* 0.7 = 17.952 (rounded up to nearest .25 GB = 18 GB/month). See 47 CFR § 54.408(c)(2); 2020 Communications Marketplace Report, GN Docket No. 20-60, Report, (continued....)

Mobile voice telephony minimum service standard. The 2016 Lifeline Order established an automatic update to the Lifeline minimum service standard for mobile voice service through November 30, 2018. Accordingly, pursuant to the 2016 Order, on December 1, 2021, the Lifeline minimum service standard for mobile voice service will remain unchanged, at 1000 minutes per month. 10

Fixed broadband minimum service standard for data usage allowance. Pursuant to the 2016 Lifeline Order, beginning December 1, 2021, the Lifeline minimum service standard for fixed broadband data usage will be 1229 GB per month, as calculated from the 2021 Urban Rate Survey data.<sup>11</sup>

Annual budget. The 2016 Lifeline Order adopted an initial budget of \$2.25 billion for the calendar year beginning January 1, 2017.<sup>12</sup> The 2016 Order also stated that the budget amount will be indexed to inflation in accordance with the Consumer Price Index for all items from the Department of Labor, Bureau of Labor Statistics.<sup>13</sup> To perform this calculation, the Bureau used the annual percent change factor for the preceding year (here, 2020) to the year in which the calculation is being performed.<sup>14</sup> Based on this calculation, the indexed budget for federal universal service support for the Lifeline program for the calendar year beginning January 1, 2021 was \$2,428,227,364,<sup>15</sup> and the indexed budget for the calendar year beginning January 1, 2022 will be \$2,457,366,093.

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<sup>&</sup>lt;sup>8</sup> 47 CFR § 54.408(c)(2)(ii)(A)-(D); 2016 Lifeline Order, 31 FCC Rcd at 3995-96, para. 94.

<sup>&</sup>lt;sup>9</sup> See 47 CFR § 54.408(b)(3); 2016 Lifeline Order, 31 FCC Rcd at 3998-99, paras. 100-102.

<sup>&</sup>lt;sup>10</sup> See 47 CFR § 54.408(b)(3)(iii) ("On and after December 1, 2018, the minimum standard will be 1000 minutes."); 2016 Lifeline Order, 31 FCC Rcd at 3999, para. 102.

<sup>&</sup>lt;sup>11</sup> See 47 CFR § 54.408(c)(1)(ii); 2016 Lifeline Order, 31 FCC Rcd at 3994, para. 90; FCC, Urban Rate Survey Data & Resources, <a href="https://www.fcc.gov/economics-analytics/industry-analysis-division/urban-rate-survey-data-resources">https://www.fcc.gov/economics-analytics/industry-analysis-division/urban-rate-survey-data-resources</a> (last visited July 30, 2021).

<sup>&</sup>lt;sup>12</sup> 47 CFR § 54.423(a)(1); 2016 Lifeline Order, 31 FCC Rcd at 4110, paras. 400-402.

<sup>&</sup>lt;sup>13</sup> 47 CFR § 54.423(a)(3); 2016 Lifeline Order, 31 FCC Rcd at 4110, para. 403.

<sup>&</sup>lt;sup>14</sup> See United States Department of Labor, Bureau of Labor Statistics, Consumer Price-Index All Urban Consumer U.S. City Average, Not Seasonally Adjusted, Series CUUR0000SA0 (last visited July 30, 2021), <a href="https://data.bls.gov/timeseries/CUUR0000SA0?output\_view=pct\_12mths">https://data.bls.gov/timeseries/CUUR0000SA0?output\_view=pct\_12mths</a> (annual average 12-month percent change for 2020 was 1.2 percent).

<sup>&</sup>lt;sup>15</sup> Wireline Competition Bureau Announces Updated Lifeline Minimum Service Standards & Indexed Budget Amount, WC Docket No. 11-42, Public Notice, 35 FCC Red 8121, 8122 (WCB 2020).